

DEPARTMENT OF THE ARMY

ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT 600 ARMY PENTAGON WASHINGTON, DC 20310-0600

DAIM-ZA 0 1 DEC 2004

MEMORANDUM FOR Director, Military Programs, US Army Corps of Engineers (CEMP), Washington, DC 20314-1000

SUBJECT: Military Construction (MILCON) Congressional Notification Requirements for Project Scope Reductions

- 1. Reference memorandum, DASA(I&H), 12 Nov 2004, subject: Congressional Notification Requirements for Changes in Scope on MILCON Projects (Enclosure).
- 2. This memorandum provides implementing guidance for new Congressional notification requirements regarding Military Construction, Army (MCA), Army Family Housing, Construction (AFHC), and Military Construction, Army Reserve (MCAR) projects where scope and/or cost is less than 75% of the appropriated/ authorized amount. The two basic conditions where a 21 Calendar-day Congressional Notification is required prior to award of a construction project or land acquisition are:
- a. Project's scope (engineering based attributes such as square footage, number of dwelling units, acres, etc) is reduced to less than 75% of the scope shown on the Congressionally approved DD Form 1391.
- b. Project's award current working estimate (CWE), based on actual bids, is less than 75% of appropriated/authorized amount. Please note that the CWE of the project must include 5% contingency (except land acquisition projects) and associated supervision/inspection costs.
- 3. The following procedures will be immediately implemented when changes in scope require Congressional Notification:
- a. Headquarters, U.S. Army Corps of Engineers will submit an electronic notification request to the Office of the Assistant Chief of Staff for Installation Management (OASCIM) that will include the reason for the notification along with the CWE.
- b. OASCIM will prepare the Congressional Notification package and submit it to the Deputy Assistant Secretary of the Army for Installations and Housing for submission to Congress.
- c. Project may be awarded after the 21 day Congressional notification period has expired.

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4. My points of contact are Ms. Wendy Schmidt, DAIM-FDC, wendy.schmidt@hqda.army.mil, (703) 604-1449 for MCA; Mr. Richard Hentz, DAIM-FDH, Richard.hentz@hqda.army.mil, (703) 601-0717 for AFH; and Mr. Michael Sugimura, DAIM-AR, Michael.sugimura@hqda.army.mil, (703) 601-1936 for MCAR.

Encl

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DEPARTMENT OF THE ARMY OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY INSTALLATIONS AND ENVIRONMENT 110 ARMY PENTAGON WASHINGTON DC 20310-0110 1 2 NOV 2004

MEMORANDUM FOR ASSISTANT CHIEF OF STAFF FOR INSTALLATION
MANAGEMENT
DIRECTOR, ARMY NATIONAL GUARD
CHIEF, ARMY RESERVE
DIRECTOR OF MILITARY PROGRAMS, HOUSACE

SUBJECT: Congressional Notification Requirements for Changes in Scope on MILCON Projects

Reference 10 U.S. Code, Section 2853, Authorized Cost Variations, and Conference Report 108-773, October 9, 2004, page 50, Notification Requirements for Changes in Scope.

This memorandum provides guidance on the Congressional notification requirement for a scope reduction on an Army Military Construction project (including land acquisition) or a military family housing project. A Congressional notification of scope reduction (with a 21-day wait period) is now required prior to project execution if either of the following conditions apply: (1) the project scope (based upon engineering attributes such as square footage) is reduced to less than 75% of the scope of the project as approved by Congress, or, (2) the cost is reduced to less than 75% of Congressionally authorized/appropriated amount.

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